ATTACHMENT J PERFORMANCE INCENTIVES

PERFORMANCE REQUIREMENT	POSITIVE INCENTIVE	NEGATIVE INCENTIVE
Examination Report Quality PRS #1 Examination Timeliness PRS #2	The acceptable level of quality shall be documented quality deficiencies (as defined in the Performance Requirement Summary) in no more than three (3) percent of examination reports. If performance exceeds acceptable level for a semi-annual evaluation period, bonus payments are authorized based on 2% of examination fee charges, if documented deficiencies were 2% or less and 4% of charges for that period if documented deficiencies were 1% or less for that period. Quality bonus payments shall not be awarded for any period when the minimal acceptable timeliness performance is not met. Bonus payments will be computer based on examination fee charges including locality adjustments but excluding tests as listed in Section B. Reimbursement charges for tests will not be included for purposes of bonus payment computation. Any examination report not reviewed within sixty days of receipt at the requesting VA Regional Office, or of the end of a semi-annual evaluation period, whichever is later, shall be deemed without defect for purposes of computing performance level. However, if a deficiency is found on subsequent review, the examination may be returned for correction or completion without additional cost to the Government except for reimbursement for any additional tests required. The acceptable level of examination report timeliness shall be an average processing time of no more than 25 calendar days from examination request to VA Regional Office receipt of a completed examination report. If performance exceeds acceptable quality level for a semi-annual evaluation period, bonus payments are authorized base don 2% of examination fee charges (including locality adjustment) for that period if documented processing time averages 20 days or less and 4% of charges if documented processing time averages 15 days or less. These bonus payments shall not be authorized for any period in which minimal quality performance is not maintained. Bonus payments will be computed based on examination fee charges including locality adjustm	If the acceptable level of quality is not met for a semi-annual evaluation period, a 1% deduction shall be assessed for each full percent below minimal acceptable level of performance documented. This deduction shall be computer based on examination fee charges and including locality adjustments but excluding tests as listed in Section B. Reimbursement charges for test will not be included for purposes of computing deductions. Deductions will be assessed as stated in H-6. Deductions will be assessed as stated in H-6.
Performance Requirements 1-10	If performance meets performance standard requirements or a positive incentive is received (if applicable), details will be recorded on the "Past Performance Report Card."	If performance falls below performance requirements, or a negative incentive is applied (if applicable), details will be recorded on the "Past Performance Report Card."
Small Business Contracting	If contractor meets or exceeds their Small Business Subcontracting Plan, details will be recorded on the "Past Performance Report Card."	If the contractor does not meet their Small Business Subcontracting Plan, details will be recorded on the "Past Performance Report Card."